

ANGUS COUNCIL

PLANNING AND TRANSPORT POLICY COMMITTEE

22 NOVEMBER 2001

**SUBJECT: FREE TRAVEL CONCESSION SCHEMES FOR
ELDERLY AND DISABLED PERSONS**

REPORT BY DIRECTOR OF PLANNING AND TRANSPORT

Abstract: This report informs Members of progress on the arrangements being put in place for the introduction of free Travel Concession Schemes for elderly and disabled passengers from October 2002.

1 RECOMMENDATION

It is recommended that the Committee –

- 1 welcome the proposed introduction of free Travel Concession Schemes for elderly and disabled persons from 2 October 2002;
- 2 note the intention to enhance the Angus Schemes beyond the minimum national requirements in order to maintain the current area of validity of passes and not to impose any time restrictions on travel, subject to the availability of financial resources;
- 3 welcome the proposals to extend free travel to men aged 60 – 64 from October 2002, subject to the necessary Parliamentary approval;
- 4 note that Travel Concession passes are to be issued free of charge from October 2002;
- 5 note the on-going negotiations with Local Bus Operators to agree re-imburement arrangements for the new free travel Schemes;
- 6 agree that a report be placed before a future meeting of this Committee detailing the Travel Concession Arrangements to be put in place to deliver the provision of free travel for elderly and disabled persons in Angus.

2 INTRODUCTION

- 2.1 The Scottish Executive set out in “The Integrated Transport Bill” which formed the basis of the Transport (Scotland) Act 2001 its proposals for free travel for elderly and disabled persons. (Report 273/00 to Planning and Transport Policy Committee 9 March 2000 refers). This report details progress on how these proposals will be implemented within Angus.

3 TRANSPORT (SCOTLAND) ACT 2001

- 3.1 The Scottish Parliament wish to see the introduction of free Travel Concession Schemes for elderly and disabled persons on local bus services from October 2002. Initial details from the Scottish Executive and the financial settlement to Angus Council to implement the Schemes were reported to the 25 January 2001 and 26 April 2001 meetings of this Committee (Reports 108/01 and 488/01 refer).
- 3.2 CoSLA and the Scottish Executive have agreed to take forward the introduction of free travel on a voluntary basis. However, under the Transport (Scotland) Act 2001 the Scottish Executive has legislative powers which it can use if necessary to deliver the enhancements on a statutory basis should any Authority fail to deliver these. Accordingly, the Executive has set a deadline of the end of January 2002 for Authorities to conclude negotiations and have agreements in place with Operators to enable existing Travel Concession Schemes to be varied in time for the commencement date of the free schemes.

4 EXISTING AND PROPOSED SCHEMES

- 4.1 The existing Travel Concession arrangements for Angus residents were approved by Angus Council on 25 April 1996 following local government re-organisation (Report 263/96 refers). Currently, Angus Council operate the following Travel Concession Schemes which offer reduced fares on local bus and train services as indicated:

	<u>Bus Fare</u>	<u>Rail Fare</u>
• Senior Citizens	¼ fare	¼ fare
• Disabled Persons	10 pence	free
• Severely Disabled Persons	free	free
• Blind Persons	free	free

Details of the current eligibility criteria for each of these groups is shown in Appendix 1 to this report.

- 4.2 Currently the area of validity for passes is for travel on all local bus and train services in Angus and to/from Alyth, Blairgowrie, Coupar Angus and Dundee. Within Dundee passes are available for travel on all bus services to/from Ninewells Hospital and between Downfield and Dundee. Passes are valid at any time of the day on any day of the week.
- 4.3 The changes proposed under the new national arrangements are for the first three categories of passholder namely senior citizen, disabled and severely disabled persons. Separate arrangements already exist for Blind Persons who are afforded free travel throughout Scotland on bus, coach (including to Berwick and Carlisle), rail (including to Carlisle), Glasgow underground and scheduled ferry services as part of a "National Free Travel Arrangement" with Operators. Currently all Operators in Angus are party to this arrangement. Should they at any stage withdraw from this voluntary arrangement then free travel within the Angus Council designated area would be provided as part of Angus Council's Travel Concession Scheme for Blind Persons in which Operators can be compelled to participate. The existing voluntary arrangement is in place until November 2002, the Scottish Executive have intimated that the free travel for elderly and disabled persons will have no implications for this arrangement.

5 PROPOSED NEW TRAVEL CONCESSION SCHEMES FOR ELDERLY AND DISABLED PERSONS

Minimum Requirements

- 5.1 The proposals are based upon the enhancement of the existing Travel Concession Schemes that Council's operate under the terms of the Transport Act 1985. As a minimum local Authorities will be required to introduce free **local bus service** travel within the Council's boundaries after 09:30 on weekdays and all day Saturday and Sunday for senior citizens and disabled persons. It should be noted that this concession does **not** apply to rail travel.

Additional Enhancement to the Minimum Requirements – Time and Area of Coverage

- 5.2 Authorities may provide additional provision over and above the minimum requirements. They may for example decide not to have a peak period restriction. In addition, they may wish to extend the provision of concessionary travel outwith their local authority boundary (either free or with a charge) – it is up to each local authority to consider what enhancements they would wish to provide over and above the basic requirements.
- 5.3 At local Government re-organisation when the existing Angus schemes were put into place it was acknowledged that the extension of travel outwith the current local authority boundary was desirable. The reason for this is that for a number of communities the nearest destination and main focal point is outside Angus. An example of this is Kirkton of Auchterhouse whose only bus service is to Dundee for employment and shopping needs. Accordingly, when the Angus Travel Concession Schemes were approved by Committee travel was permitted to Alyth, Blairgowrie, Coupar Angus and Dundee. Within Dundee the need for Angus residents to access Ninewells Hospital was acknowledged and for this reason passholders were permitted to travel to that facility. Consequently, it is considered that with the introduction of a free scheme these designated areas outwith Angus should continue to be included in the Schemes and that concessionary travel to these points should be free of charge.
- 5.4 It is considered that no restriction should be put in place in the morning peak. Many rural services in Angus operate during this morning peak period providing a lifeline for local communities and indeed a number of once-a-week shoppers services have their departure times prior to 09:30. It would be impractical to put a restriction in place on such services. Negotiations are on-going with Operators to establish any additional vehicle requirements which will be required as a result of the anticipated increase in the volume of concessionary passholders travelling. These discussions will identify any additional vehicle requirements post 09:30 and also the implications of there being no peak restriction. It is considered that for the majority of journeys there will be no capacity problems if there is no peak restriction and ultimately if funding will permit it would be advantageous to all passengers to continue to receive unrestricted travel.

Costs of Implementing Free Local Bus Travel

- 5.5 The financial settlement from the Scottish Executive to deliver the new Travel Concession Schemes was reported to 26 April 2001 meeting of this Committee (Report 488/01 refers). This provides an additional £466,000 in 2002/2003 (part) and £1,051,000 in 2003/2004 to implement the schemes in Angus. It was considered that the funding available would be sufficient to deliver free travel for elderly and disabled persons on local bus services.
- 5.6 Discussions are on-going with bus operators to establish re-imburement arrangements so that they are “no better and no worse off” through participating in the Schemes. In addition to re-imbursing Operators for their revenue foregone further costs to be met are for any additional capacity required as a result of increased patronage as a result of the Schemes, ticket machine reconfiguration in order to supply local authorities with auditable claims, pass issue, administration and publicity.

Age Equalisation of Eligibility for Concessionary Travel

- 5.7 The Scottish Executive is currently progressing legislative change to bring about the introduction of age equalisation to permit men aged 60 – 64 to benefit from the free travel proposals. This will be included in the forthcoming Local Government Bill to be introduced to Parliament early next year. It is the intention of the Executive to also introduce this change in October 2002 and Authorities are being asked to take this into account in their Travel Concession negotiations.
- 5.8 Currently there are 2804 men within this age bracket permanently resident in Angus who may benefit from this enhancement.

Costs of Implementing Age Equalisation of Concessionary Travel

- 5.9 The financial settlement outlined in 5.5 above does not take into account the extension of concessionary travel to men aged 60 – 64. Once primary legislation is in place Authorities will be informed of their additional budgetary allocation for this enhancement.

Abolition of Charges for Concessionary Passes

- 5.10 Authorities that currently charge for Concessionary Travel passes are being instructed to cease doing so from October 2002.
- 5.11 Currently bus passes for Senior Citizens are issued by the Post Office on behalf of Angus Council at a cost to the passholder of £2.50. Angus Council pays the Post Office an administration fee of £1.13 for each pass issued or £4,000 per annum whichever is the greater. Disabled Persons and Severely Disabled Persons Travel passes are issued by the Transport Team free of charge and this arrangement will continue.
- 5.12 It is currently estimated that 14,000 senior citizen passes are in circulation in Angus. These passes are valid for 5 years and the revenue foregone as a result of issuing these free of charge over this period is £35,000. Post Office Counters will continue to require payment for the issue of the Senior Citizen Travel Passes and this will

increase as a result of the greater uptake of passes likely from the availability of free travel. Costs for issuing passes over a 5 year period could be up to £28,000.

Length of Validity of Passes

5.13 It is not intended that passes will be re-issued for the start of the new travel concession arrangements, existing passes will continue to be used until their expiry date. Currently passes are issued for the following periods:

- Senior Citizens 5 years
- Disabled Persons 6 months – 2 years (dependant on disability)
- Severely Disabled Persons 2 years

In order to monitor the operation of the Scheme and track the number of passes in circulation, it is considered that passes must continue to have an end date and a database must be maintained and updated. For the purpose of recording trips it is anticipated that Operators can merge the Disabled and Severely Disabled categories and record (i) senior citizens trips and revenue foregone and (ii) disabled /severely disabled passengers and their revenue foregone.

Use of New Technology to Monitor the Scheme

5.14 In view of the monitoring requirement by the Scottish Executive to assess expenditure on travel concession schemes, consideration is currently being given to the use of smartcard technology with possible funding for this project coming from the Scottish Executive's Modernising Government fund. This reinforces the decision not to renew existing Angus passes in October 2002 but to allow them to continue until their natural expiry date or alternatively the introduction of new technology.

6 REIMBURSEMENT TO BUS OPERATORS

6.1 The Travel Concession Scheme Regulations 1986 require that the Council adopt reimbursement arrangements which should be formulated in such a way so that Operators are "no better and no worse off" as a result of their participation in the Scheme. The regulations also indicate that due allowance should be made for traffic generated by the Scheme (i.e. those passengers who would not travel if they had to pay a fare). The generation factor compares price with demand and reimbursement is calculated based on an arc elasticity demand curve.

6.2 Negotiations are currently on-going with Bus Operators with a view to agreeing new reimbursement arrangements and concluding these negotiations with Operators by the end of January. Initial discussions have been undertaken on the basis that the Operators will receive as a minimum the current concessionary revenue payment plus associated on bus receipts. Members will be informed in due course of the outcome of these negotiations.

7 PUBLICATION OF THE NEW TRAVEL CONCESSION SCHEMES

7.1 Following the conclusion of negotiations with local bus service operators the Angus Council Travel Concession Schemes will be amended and re-published to take account of the revised arrangements both with regard to changes to the Schemes and the re-imburement of Operators.

7.2 Operators will be formally invited to join the Scheme, however should they fail to do so then formal participation notices will be served as outlined in the Travel Concession Scheme procedures which are part of the Transport Act 1985.

7.3 The new Schemes when finalised will be put before a future meeting of this Committee.

8 MONITORING OF THE NEW TRAVEL CONCESSION ARRANGEMENTS

8.1 The Scottish Executive has commissioned Colin Buchanan and Partners to undertake monitoring of the current schemes and the new arrangements. The Executive are keen to monitor the impact of the enhanced arrangements and in order to do this are looking at 2 main areas:

- (i) the effect of the new schemes in generating trips; and
- (ii) the effect on additional costs

8.2 In order to do this “before” and “after” surveys are being undertaken:

- with passengers at the roadside
- by postal surveys
- by household surveys
- by passenger counts on buses to determine capacity problems to identify where additional resources are required

8.3 Within Angus two locations, Forfar and Arbroath, have been selected by the Consultants to undertake roadside passenger surveys at bus-stops in order to provide a snapshot of “before” and “after” travel patterns.

8.4 Angus Council will distribute postal surveys on behalf of the Scottish Executive in order to determine peoples current travel patterns and asking these individuals if they wish to participate in an “after” survey.

8.5 Once discussions have taken place with Operators and any capacity problems have been identified, this information will be passed to the consultants to consider monitoring requirements.

8.6 In order to assess the implications of the Travel Concession Scheme enhancements, the Scottish Executive are requesting Authorities and Operators to agree to implement the Scheme for two years without any change. The Executive acknowledge that it may be difficult for this request to be fulfilled, however they are asking to be kept fully informed of any proposals to vary Schemes.

9 FINANCIAL IMPLICATIONS

9.1 A clearer indication of the full costs of implementing the revised Travel Concession Schemes in Angus will not be available until negotiations have been concluded with the Operators and agreement reached in respect of reimbursement arrangements, additional vehicles required etc.

- 9.2 Until the new Schemes are implemented and the additional take-up and usage of passes is identified the full cost of free travel will remain unknown. It is however expected that these costs can be fully met from the additional financial settlement from the Scottish Executive upto March 2004. No commitments can be given at the present time beyond that date.

10 CONSULTATION

- 10.1 The Chief Executive, Director of Finance and Director of Law and Administration have been consulted in the preparation of this report.

11 HUMAN RIGHTS IMPLICATIONS

- 11.1 There are no human rights implications arising from this report.

12 CONCLUSION

- 12.1 The free travel concession arrangements for elderly and disabled persons are welcomed, individuals will greatly benefit from the new concessions which will help towards addressing issues of social inclusion.
- 12.2 Negotiations with Operators in respect of implementing the revised Travel Concession Schemes are underway and it is hoped that these will be successfully concluded in time to meet the end of January deadline set by the Scottish Executive.
- 12.3 Members will be informed of the outcome of the current negotiations with Operators in respect of levels of reimbursement. Updates will also be given on the progress in implementing the free travel arrangements.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

AA/LEM/SC
12 November 2001

Alex Anderson
Director of Planning and Transport

APPENDIX 1**ELIGIBILITY CRITERIA FOR TRAVEL CONCESSION SCHEMES****Senior Citizens Travel Concession Scheme**

To qualify for this concession, applicants must be permanently resident in Angus and be a man aged 65 years or over, or a woman aged 60 years or over. (With the introduction of the new arrangements from October 2002 men aged 60 – 64 will also be eligible for this concessionary pass).

Disabled Persons Travel Concession scheme

To qualify for this concession the applicant must be permanently resident in Angus and satisfy the following criteria:-

- Have a permanent and substantial disability which causes considerable difficulty in walking;
- or
- Be a person with mental health problems and be attending regular day patient treatment;
- or
- Be profoundly deaf;
- or
- Have been refused a driving licence, or had one revoked, on medical grounds;
- or
- Have Myalgic Encephalomyelitis which causes considerable difficulty in walking.

Applicants must be at least five years of age and will need to complete an application form. This should be forwarded, together with appropriate medical evidence, to the Transport Team.

Severely Disabled Persons Travel Concession Scheme

To qualify for this scheme the applicant must be permanently resident in Angus and satisfy the following criteria:-

- Be a person with moderate or severe learning difficulties;
- or
- Be profoundly deaf and without speech.

Applicants must be at least five years of age and will need to complete an application form. This should be forwarded, together with appropriate medical evidence to the Transport Team.